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MAY 2 4 1994

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FEDERAL COMMUNICATIONS COMMISSIONS OFFICE OF SECRETARY

DAVID A. IRWIN (202) 728-0016

May 24, 1994

William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, Room 222 Washington, D.C. 20054

Re:

GEN Docket No. 90-314, Amendment Of The Commission's Rules to Establish New Personal Communications Services

PP Docket No. 93-253, Implementation of Section 309(j)
Of The Communications Act - Competitive Bidding

Dear Mr. Caton:

Transmitted herewith on behalf of G-CAT Enterprises, Inc. ("G-CAT") and filed in duplicate pursuant to Section 1.1206(a)(1) of the Commission's Rules, 47 C.F.R. § 1.1206(a)(1), is a Letter dated May 24, 1994 from G-CAT to Mr. Robert M. Pepper, Chief, Office of Plans and Policy, regarding Personal Communications Services. Please place a copy of this letter in the above-referenced dockets. This letter is simultaneously being hand delivered to each FCC Commissioner and members of the FCC PCS Task Force.

Please contact the undersigned if you have any questions.

Very truly yours,

UN A. Slavn

David A. Irwin

Enc.



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Global - Cabling & MAY 2 4 1994 Affiliated Technologies FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY

Manufacturer of Custom Wire & Cable / Fiber Optic Assemblies · Distributor of Wire & Cable

May 24, 1994

15:32

Mr. Robert M. Pepper, Chief Office of Plans and Policy Federal Communications Commission 1919 M Street, N.W., Room 822 Washington, D.C. 20554

Re: FCC Plan To Trim PCS Set Aside Plan

Dear Mr. Pepper:

We refer to an article in the Wall Street Journal dated May 20, 1994 on Page B3. Specifically, the article stated in part, that the FCC may eliminate the plan to set aside PCS licenses for small, women owned and minority owned companies (designated entities) and in place allow such companies bidding credits, a discount or installment payments. G-CAT, Inc. opposes such an elimination of the set aside. We at G-CAT believe that such a plan would be very detrimental to the designated entities.

The ethnic makeup of the United States is slowly changing. A setaside plan would allow minorities an invaluable opportunity to effectively participate in a very important segment of our economy. Our economy is becoming more and more oriented towards information and services. America's standard of living and our economic strength depends on our ability to effectively leverage our strength in information. Personal Communication Services (PCS) are going to form a very integral part of the information link. By eliminating the setaside plan, the FCC is depriving a huge section of the population a chance to become an effective player in the information highway. This will polarize our society by creating information haves and information have-nots. America's strength depends on the ability for all our citizens to participate in economic opportunities. By not giving a chance for minority participation, we create classes of information illiterates that impact the information haves, and the American economy adversely. We do not want this.

A Set Aside plan represents a major opportunity for hundreds of small, woman-owned and minority-owned businesses. If there is no setaside, such designated participation would be reduced from hundreds to a handful. Designated and small entities must be allowed to participate fully as License holders. It has been proven that small business are the creative wheels of the American economy. They are more technology oriented and create more employment. By not allowing designated entities chance to participate, we would be killing our national creativity.

It has always been part of the American dream and ethos that the small guys has an opportunity to effectively compete against the big guys. A scaling down of the setaside would only help the big companies. This goes against values that the FCC plans to stress when allocating PCS spectrum: competition in the delivery of services, speed of deployment, universality and diversity. Congress directed the FCC to disseminate PCS licenses to a diverse array of potential providers without consideration of the expectation of increased Federal revenues and in a manner that safeguards against excessive ownership concentration in the telecommunication industry. More small company ownership would help prevent excessive concentration of ownership in the telecommunication industry. An elimination of the setaside may help generate revenues now, but we will be impoverishing, by way of information, a huge section of our future generation.

G-CAT, Inc. is a small, 100% minority owned business located at the Hartford Enterprise Zone in the State of Connecticut, and we have been in business for over 7 years. We manufacture custom harnesses, cable / fiber optic assemblies for both defence and telecom industries. Furthermore, we undertake communication system design and installation, an extension of our fiber optic Research & Development operation. As such, G-CAT is particularly interested in the Commission's treatment of designated entities in the allocation and auction process for broadband PCS. G-CAT, Inc. submitted a deposition to the FCC, by a letter dated May 11, 1994, that the public interest would be served by the Commission's consideration and adoption of a preference for small, women-owned and minority-owned businesses that make a key commitment to economic development in their communities. We suggested that the Commission may accomplish such a public interest objective by providing a preference to small, women-owned and minority-owned businesses that are located and will conduct their operations within an "enterprise zone," as such areas may be defined by federal, state, or local legislation. In addition, we suggested that the Commission may require that such designated entities make certain commitments toward achieving equal employment opportunity goals, reinvesting a portion of their profits in technical training schools or similar programs in their communities, or other comparable public interest commitments. AS such we firmly believe that such a preference would encourage participation by entities that will truly return a social and economic benefit to their community, thereby serving the public interest, rather than participation by entities that may be seeking purely personal gains.

PCS represents the most important new service that the Commission will license over the next decade. We kindly request the FCC to reconsider it's decision to eliminate the setaside plan. G-CAT also encourages the Commission to move swiftly towards the adoption and implementation of Rules that will bring PCS to the marketplace as soon as possible. We would be happy to submit, on short notice, any additional details on the foregoing proposals that the Commission may require.

Should you have any questions, please feel free to contact the undersigned at (203) 525-2650.

Regarda

Robert C. Hill

Manager, Telecom Services

CERTIFICATE OF SERVICE

I, Lorena L. Ferry, hereby certify that on this 24th day of May, 1994, copies of the foregoing "Letter to Mr. Robert M. Pepper, Chief, Office of Plans and Policy" have been served by hand delivery upon the following:

Robert M. Pepper, Chief Office of Plans and Policy Federal Communications Commission 1919 M Street, NW, Room 822 Washington, DC 20554

Chairman Reed Hundt Federal Communications Commission 1919 M Street, NW, Room 814 Washington, DC 20554

Commissioner James Quello Federal Communications Commission 1919 M Street, NW, Room 802 Washington, DC 20554

Commissioner Andrew Barrett Federal Communications Commission 1919 M Street, NW, Room 844 Washington, DC 20554

Donald Gips, Deputy Chief Office of Plans and Policy Federal Communications Commission 1919 M Street, NW, Room 822 Washington, DC 20554

Tom Stanley, Chief Engineer Office of Engineering and Technology Federal Communications Commission 2025 M Street, NW, Room 7002 Washington, DC 20554 Ralph Haller, Chief Private Radio Bureau Chair, PCS Task Force Federal Communications Commission 2025 M Street, NW, Room 5002 Washington, DC 20554

Michael Katz, Chief Economist Federal Communications Commission 1919 M Street, NW, Room 822 Washington, DC 20554

Gerald P. Vaughan Common Carrier Bureau Federal Communications Commission 1919 M Street, NW, Room 500 Washington, DC 20554

Hon. Larry Irving
Assist. Secrty., Communications &
Information
NTIA, U.S. Department of Congress
14th and Pennsylvania Avenue, N.W.
Room 4898
Washington, DC 20230

Lorena L. Ferry